

From: Brian Swingle [<mailto:bswingle@toriiphillips.com>]
Sent: Wednesday, December 20, 2006 7:37 PM
To: Wisconsin Legislature 2`
Subject: Five-year Report on Wisconsin's Drycleaner Environmental Response Fund

Dear Governor Doyle, Senators and Representatives:

As Chair of the Governor's Council for the Drycleaner Environmental Response Program (DERP), I am submitting our five-year report on the progress, and current and projected status of one of the most successful environmental remediation reimbursement programs of its kind in the country. This program established ten years ago, has allowed us to clean up historical sites contaminated by solvents from what once were accepted and approved disposal, storage and handling practices. DERP is a successful industry initiated and funded program, with 100% of the funding coming from revenue generated from a drycleaner license fee surcharge on receipts, and solvent sales by suppliers. We have been successful in protecting our groundwater and public health by cleaning up these sites.

The DERP program has been successful in providing a source of reimbursement for drycleaners and property owners who, because of the existence of this program, will clean up these properties, remain in business, pass their business on to the next generation, or enable these contaminated properties to become attractive parcels for reuse and redevelopment. The program also allows the current 264 operating drycleaning facilities in Wisconsin to continue contributing to the state's economy, employment, and the revenue needed to support the DERP fund.

We now are at a critical point in the program where there is a shortfall in the amount of revenue collected versus the amount of reimbursements that will be requested. We need to assure there will be available funds for eligible parties to prevent financial hardships and business closings that property owners and drycleaners currently enrolled in the DERP program would otherwise experience. Additionally, keeping drycleaners operating ensures a continues source of revenue for what otherwise could fall upon the taxpayers.

In this report, the DERP Governor's Council with input from the drycleaning industry and information assistance provided by the Wisconsin Department of Natural Resources, is proposing a solution to the funding situation that we believe meets the needs of our states natural resources, citizens, drycleaners, and property owners. On behalf of the Council I thank you.

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